



Neighborhood Housing and Community Development Office

Paul Hilgers, Community Development Officer
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Date: June 21, 2006
To: Mayor Will Wynn and City Council Members
From: Paul Hilgers, Director
Neighborhood Housing and Community Development
Subject: Affordability Impact Statement - Residential Design Ordinance (June 8, 2006 Council Action)

I am providing an Affordability Impact Statement for the Residential Design Ordinance approved by the City Council on first and second reading at the June 8, 2006 meeting. This statement replaces all previous assessments.

I am offering suggestions that could minimize impacts on housing affordability while meeting the intent of the proposed ordinance. These recommendations are discussed below.

1. Areas of Support

NHCD supports the following recent changes to the proposed ordinance:

A. Limiting Ordinance to the Urban Core and Exclusion of RMMA Development

The City Council's decision to limit this ordinance to the Urban Core and to exclude the former Robert Mueller Municipal Airport site allows most proposed S.M.A.R.T. Housing™ single-family applications to be submitted with no additional cost to the applicant.

Within the ordinance boundary, the ordinance would significantly impact the NHCD/AHFC Montopolis subdivision and the E. 12th Street Anderson Hill Townhome development. It may impact efforts to achieve housing affordability goals in Transit Oriented Development Areas, and could impact PDA and PUD developments. However, most S.M.A.R.T. Housing™ subdivisions are located outside of the proposed boundary.

B. Setback Averaging

The June 8, 2006 draft would create new standards for setback averaging that will increase the flexibility in how averaging is determined. This could reduce costs associated with filing a Board of Adjustment case when the front yard setback for a proposed home can be averaged with the four closest homes on the same block.

2. Issues That Potentially Affect Housing Affordability

A. Wall Articulation Requirement: Conflict with Two-Story Homes on Narrow Lots

The primary affordability impact identified by NHCD staff is a decreased ability to build on small lots.

All of the two-story house plans selected for the NHCD/AHFC Montopolis subdivision – some homes as small as 1102 square feet – will not be in compliance with the new ordinance, due to side wall lengths of greater than 32 feet. Redesigning the plans will add

architectural expenses to each home, and any required wall articulations are likely to increase construction costs. The City of Austin has committed to selling all 81 of the homes in this new subdivision to households at or below 80% MFI.

The ordinance section that creates this impact is:

§ 25-2-566 (I): "...the side wall may not extend in an unbroken plane for more than 32 feet along a side lot line. To break the plane, a perpendicular wall articulation of not less than four feet, for a distance along the property line of not less than 10 feet, is required."

The vast majority of lots in the Montopolis subdivision range from 40 - 45 feet in width and 4500 square feet in area. Most of these lots require a two-story design in order to allow a home large enough for a family while meeting impervious cover limits. Narrow lots also require home designs that yield a longer, more narrow home. The subdivision is zoned SF-3-NP and utilizes the Urban Home Lot provision in the Montopolis Neighborhood Plan. (Please see Attachment: AHFC House Plans for Montopolis Subdivision.)

Several non-profit Community Housing Development Organizations (CHDOs) such as Habitat for Humanity will be building homes in the Montopolis subdivision. NHCD has not verified whether or not the proposed wall articulation requirement poses a problem for the CHDOs' home designs.

NHCD's recommendation is to amend the wall articulation requirement § 25-2-566 (I) to apply to allow an unbroken plane of 45 feet.

B. Building Envelope Requirement: Potential Conflict with Two-Story Homes on Narrow Lots

The building envelope requirements of § 25-2-566 (K) may limit the feasibility of two-story construction on narrow lots. On a 40' - 50' lot, there is often no additional space for a side yard setback of greater than 5', thus limiting the building height to 20' at the setback line. Depending on factors such as foundation requirements and ceiling height, 20' may be an insufficient height for a two-story home on a narrow lot.

NHCD's recommendation is to amend the building envelope requirement § 25-2-566 (K) to allow for 23' in height at the side setback line.

C. Customization of Standards

Areas within the ordinance boundary may modify the ordinance standards to establish customized floor-area ratios, maximum square footage, setback requirements, and building envelope requirements. This allows for the possibility of neighborhood-specific standards that are more restrictive than those standards in proposed ordinance. Of particular concern is the possibility that restrictive standards may be applied to Urban Home Lots, Cottage Lots, and small non-conforming lots.

NHCD's recommendation is to amend the customization options in § 25-2-1406 (8) to remove options for additional customization of site development standards for Cottage

Lots, Urban Home Lots, and those substandard lots regulated by § 25-2-943 or § 25-2-1406 (3).

D. Submittal Requirements for Smaller Homes

NHCD recommends implementing building permit submittal requirements that do not increase the cost of preparing and submitting plans. Staff recommends the development of an alternate method of compliance for all housing that is 32 feet in height or less and 2300 square feet of gross floor area or less. This would include an implementation strategy for building permits, inspections and continuing the expedited review for S.M.A.R.T. Housing™ developments.

3. Summary of Recommendations

In summary, the proposed ordinance modifying residential design standards could be implemented with minimal impact on housing affordability if the suggestions listed below were adopted.

- A. Amending the wall articulation requirement § 25-2-566 (I) to allow an unbroken plane of 45 feet;
- B. Amending the building envelope requirement § 25-2-566 (K) to allow for 23' in height at the side setback line;
- C. Amending the sub-area customization options in § 25-2-1406 (8) to remove options for additional customization of site development standards for Cottage Lots, Urban Home Lots, and those substandard lots regulated by § 25-2-943 or § 25-2-1406 (3);
- D. Establishing an alternate method of compliance for all housing that is 32' in height or less and has a gross floor area of less than 2300 square feet.

Please contact Paul Hilgers at 974-3108 if you need additional information.

cc: Laura Huffman, CMO
Chief Michael McDonald, CMO
Victoria Hsu, WPDR
Greg Guernsey, NPZD
Kelly Weiss, AHFC
Gina Copic, NHCD
Tina Bui, NPZD

Att: AHFC House Plans for Montopolis Subdivision

Attachment: AHFC House Plans for Montopolis Subdivision (sample)



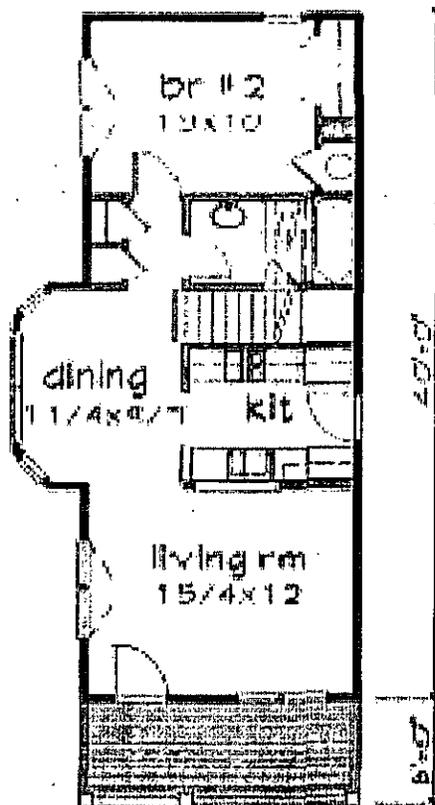
Rick Thompson
Architect



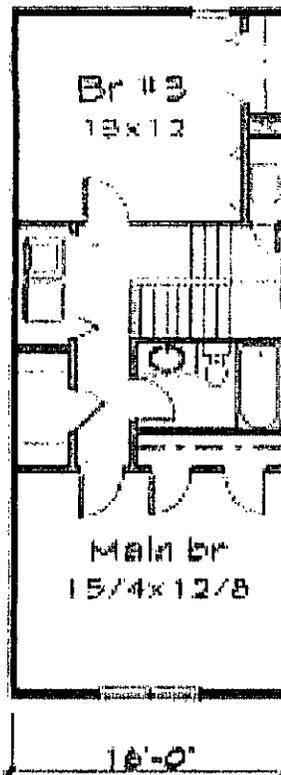
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Floor 1 plan



Floor 2 plan

plan #
1202B

Size #1 664
Size #2 595
Size Total 1279

Width 20'-0"
Depth 40'-0"
Porch 6'

F1 ceiling 9'
F2 ceiling Vaulted
Roof pitch 10/12
Height 23'-6"

Prints 5 sets Please see
Prints 6 sets web site for
Values current
Material Est pricing
CAD thank you

Please specify foundation type (crawl standard) Available types - Crawl or Slab

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Rick Thompson
Architect



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plan #

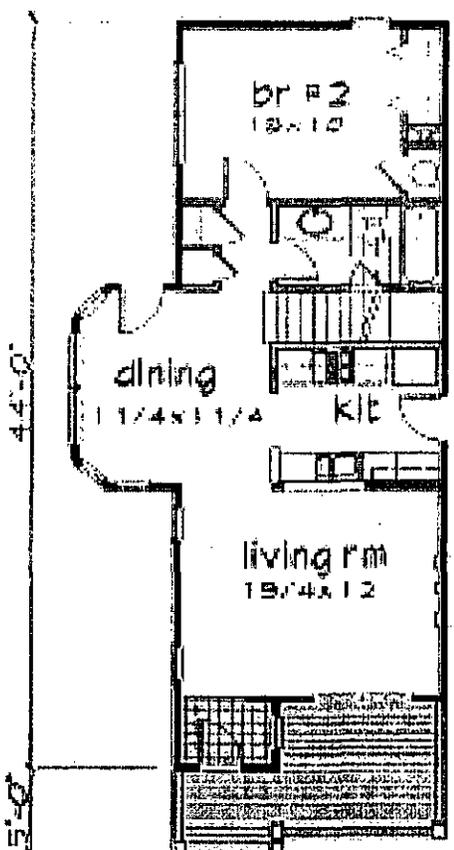
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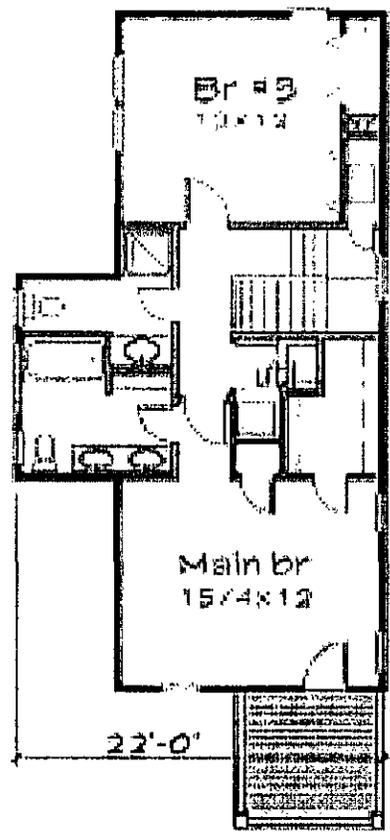
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Depth 44'-0"
Porch 6'

F1 ceiling 9'
F1 ceiling 8'
Roof pitch 9/12
Height 25'

Prints 5 sets Please see
Prints 8 sets web site for
volumes current
Material list pricing
CAD thank you



Floor 1 plan



Floor 2 plan

Please specify foundation type (crawl standard) Available types - Crawl or Blab